

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

770 L STREET, SUITE 1000
SACRAMENTO, CA 95814
(916) 324-2726
(916) 324-5597 FAX
<http://www.cmac.ca.gov>

**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

**State Capitol, Room 113
Sacramento, CA**

**Minutes of Meeting
December 9, 2010**

COMMISSIONERS PRESENT

Michele Burton, M.P.H.
Daniel Eaton
Vicki Marti
Nancy McFadden

COMMISSIONERS ABSENT

Wilma Chan
Marvin Kropke

CMAC STAFF PRESENT

J. Keith Berger, Executive Director
Tacia Carroll
Paul Cerles
Nathan Davis
Denise DeTrano
Keith Farley
Katie Knudson
Becky Swol
Mike Tagupa
Karen Thalhammer

EX-OFFICIO MEMBERS PRESENT

Lisa Kawano, Department of Health Care Services
Robert Nelson, Department of Finance

EX-OFFICIO MEMBERS ABSENT**I. Call to Order**

The December 9, 2010 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Commissioner Eaton. A quorum was present.

II. Approval of Minutes

The November 4, 2010 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Mr. Berger reported that last week CMAC staff initiated the process for Round 6B of the Private Hospital Supplemental Fund and Round 6 of the Non-designated Public Hospital Supplemental Fund.

Copies of these packets and schedules, Mr. Berger noted, are available for the Commissioners in their binders, as well as for the public on the CMAC website (www.cmac.ca.gov). The proposed schedules are also available in the public handout section in today's meeting room.

Mr. Berger said that staff intends to have as many amendments as possible before the Commissioners for review and action at the second Commission meeting in February, February 24, 2011.

Regarding the State Budget, Mr. Berger explained that the Governor has called a special session of the Legislature to address the current year budget deficit. He released his proposed solutions on Monday December 6, 2010. Mr. Berger said that a summary of those proposals is available on the Department of Finance (DOF) website.

Mr. Berger indicated the Legislature is beginning budget hearings today to start to look at the issues causing the deficit, though the Legislature has indicated it is unlikely to actively address those issues until next month after Governor-elect Brown has assumed office.

Governor-elect Brown met with legislators and local officials yesterday at the Sacramento Memorial Auditorium to discuss the severity of the current state budget situation. Mr. Berger said that Governor-elect Brown is said to be planning at least two more such meetings--one in Southern California on education funding and one in the Bay Area on health and human services.

Mr. Berger also commented that Governor-elect Brown announced his first two appointments earlier this week. Ana Matasantos has been appointed to continue to be the Director of the DOF. With the announcement of that appointment, she has left that position temporarily to begin work with the Brown transition team and Cynthia Bryant has taken over as the Director of Finance for the remaining weeks of Governor Schwarzenegger's term. Mr. Berger noted that one of the articles reporting on the appointment said that Ms. Matasantos will be the first Director of Finance to work for Governors of both parties -- a real testament to Ms. Matasantos and her knowledge and leadership qualities.

It was also announced, Mr. Berger reported, that Diana Dooley has been appointed to be the next Secretary of the Health and Human Services Agency. Ms. Dooley has appeared before CMAC several times in recent years in her position as Executive Director of the California Children's Hospital Association (CCHA), and is respected very much by everyone. Mr. Berger said that she has big shoes to fill in replacing Kim Belshé, and a daunting challenge ahead of her because of the budget deficit and health reform, but if anyone can do it, Ms. Dooley can. On behalf of CMAC, Mr. Berger wished her all the best and said CMAC will help in any way possible.

Mr. Berger understood that the Department of Health Care Services (DHCS) continues to move forward with implementing the hospital rate freeze, established by the budget trailer bill. He indicated that CMAC's DHCS representative, Lisa Kawano, would include an update on that issue and on the status of the final Disproportionate Share Hospital (DSH) list.

Before he ended his report, Mr. Berger noted that this is CMAC's last meeting of 2010. At this point in the year, he said that he often reflects on the events of the past year and concluded that there is so much to be thankful for.

Mr. Berger thanked all of the Commissioners for their support and involvement in carrying out CMAC's program objectives, especially Commissioner's Eaton and McFadden, who have so ably stepped in and chaired our meetings this year. He also thanked CMAC's ex-officio members from DHCS and DOF for their participation and contributions.

Mr. Berger thanked DHCS staff as well, many of them at the meeting today, for faithfully attending CMAC meetings as they have throughout the year. The Safety Net Financing Division is responsible for implementing and administering all of the Selective Provider Contracting Program (SPCP) contracts and amendments that CMAC negotiates and approves. He said that they make sure the money gets out the door, and that he knows they are working hard this week to make sure the supplemental payments from Round 6A are all out to the hospitals before the end of the calendar year.

Mr. Berger indicated that he continues to appreciate the many strong partnerships CMAC has had this year with the hospitals in our contracting program. Although the future of CMAC is unknown, it will continue to work with them in the ways that it can to help assure access to quality care can be provided to Medi-Cal beneficiaries in a cost-effective manner.

Finally, and most importantly to him, Mr. Berger recognized CMAC staff for their dedication, professionalism, teamwork and friendship. He said that he is incredibly fortunate to work with such wonderful people. They are the ones that make everything happen.

Mr. Berger explained that CMAC will begin the 2011 schedule with the first commission meeting on January 6. He noted that copies of the meeting schedule are available with the handouts, and it is also posted on the CMAC website.

At this time, Commissioner Eaton thanked Mr. Berger, the CMAC staff, as well as the other Commissioners for their hard work during the past year. He also informed all meeting attendees that Commissioner Chan (although not in attendance) was leaving CMAC to pursue her position as Alameda County Supervisor -- he wished her luck.

IV. Department of Health Care Services (DHCS) Report

Lisa Kawano, DHCS, informed CMAC that final DSH List will be published in early January 2011.

Ms. Kawano also explained that DHCS continues to finalize the implementation plan for the hospital rate freeze established by SB 853. She noted that implementation should take place in the next few weeks.

V. Department of Finance (DOF) Report

Mr. Nelson, DOF, reported that there are special sessions taking place to discuss health care reform spending caps including emergency room co-payments and hospital stays, as well as the extension of the Hospital Quality Assurance Fee.

Mr. Nelson also said that the budget would be announced by January 10, 2011.

VI. Public Comments/Adjournment

There being no comments from the public, Commissioner Eaton recessed the open session. Commissioner Eaton opened the closed session and, after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Commissioner Eaton announced that the Commission had taken action on hospital contracts and amendments in closed session. The open session was then adjourned.